[A. Lakshminarayana Aiyar.]

CAPITAL EXPENDITURE.

32. The next year's programme of capital expenditure includes a provision of Rs 30·29 lakhs which is less than the Revised Estimates for the current year by Rs 6·77 lakhs. The difficulty in obtaining the machinery and the materials required for the working and the expansion of our capital schemes and also the necessity to keep the expenditure at a low level are the considerations for the smaller provision proposed for the next year, as compared with the Revised Estimates. The details of the works are mentioned in the Budget Memorandum and I shall only make a passing mention of the more important items.

33. *Commercial Transport.* Including the capital outlay of Rs 14,000 proposed for this scheme for the ensuing year, the aggregate capital outlay on the scheme at the end of the year is expected to stand at Rs 12·03 lakhs. A net return of Rs 1·64 lakhs on the investment after providing for depreciation etc., is expected to be realised this year, while the return for the next year is anticipated to stand at Rs 2·62 lakhs. The department has been only temporary since its organisation in 1113. The working of the department as seen from the Government accounts has resulted in a net loss in all the past years except during 1113, the year of its commencement. The accounts maintained by the Department have however shown net profits during all these years. The difference is due to the fact that the Government accounts are kept on a cash basis while the departmental accounts are kept on a commercial basis. Even according to the Government accounts the profits up to the end of the current year, excluding interest charges are expected to stand at about Rs 3·14 lakhs which may be considered sufficient to cover a reasonable rate of interest on the Government investment of Rs 10·71 lakhs in the scheme as at the end of 1116. As the department has thus become self-supporting, it is proposed to make it permanent from 1st Chingom 1118. Arrangements have also been made for the accounts of the Scheme as maintained on the commercial accounting system being, in future, reconciled with the accounts as recorded in the State Ledgers and for exhibiting the result on a pro-forma basis in the Appropriation accounts of the State.

34. *Clay Refining and Porcelain Factory.* A provision of Rs 1 lakh has been made in the budget for the capital expenditure on this concern. The net receipts from the Factory for the current year are expected to be Rs 1·5 lakhs and that for the next year to be Rs 2 lakhs.

35. *Electric Schemes.* The capital outlay on our Electrical undertakings at the end of this year is expected to stand at Rs 190·63 lakhs, which with the proposed outlay of Rs 20·05 lakhs for the next year for the dam works at Kundale (10·0) and for other works in progress, will

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